

UNIFIED SCHOOL DISTRICT NO. 251
North Lyon County

Regulatory Basis Financial Statement and Independent Auditor's Report

For the Year Ended June 30, 2018

Cindy Jensen, CPA
Certified Public Accountant
Council Grove, KS 66846

Unified School District No. 251
North Lyon County

Regulatory Basis Financial Statement
For the Fiscal Year Ended June 30, 2018

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Cindy Jensen

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Independent Auditor's Report

Board of Education
Unified School District No. 251
North Lyon County
Americus, KS 66835

I have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the Unified School District No. 251, North Lyon County, Kansas as of and for the year ended June 30, 2018 and the related notes to the financial statement.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide as described in Note 1; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statement based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the Kansas Municipal Audit and Accounting Guide. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Basis for Adverse Opinion on the U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statement, USD 251 prepared this financial statement to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on the U.S. Generally Accepted Accounting Principles

In my opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on the U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Unified School District No. 251, North Lyon County, as of June 30, 2018, or the changes in its financial position or cash flows for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In my opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of Unified School District No. 251, North Lyon County as of June 30, 2018, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide described in Note 1.

Report on Supplementary Information

My audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, agency funds summary of receipts and disbursements, and district activity funds schedule of receipts and expenditures (Schedules 1, 2, 3 and 4 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, but are required to be presented under the provisions of the Kansas Municipal Audit and Accounting Guide. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the respective basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

A handwritten signature in black ink that reads "Cindy Jensen CPA". The signature is written in a cursive, flowing style.

Cindy Jensen, CPA
Certified Public Accountant
January 7, 2019

Unified School District No. 251
North Lyon County

Summary Statement of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2018

	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
General Funds						
General	\$ 287	\$ 3,576,842	\$ 3,577,128	\$ 1	\$ 0	\$ 1
Supplemental General	149,314	1,224,989	1,283,667	90,636	0	90,636
Special Purpose Funds						
At Risk	130,882	593,683	465,324	259,241	0	259,241
Virtual	1,085	0	0	1,085	0	1,085
Capital Outlay	2,163,691	870,882	488,222	2,546,351	0	2,546,351
Contingency Reserve	125,905	50,639	50,639	125,905	0	125,905
Driver Training	17,754	45,297	36,202	26,849	0	26,849
Food Service	67,085	264,533	259,791	71,827	0	71,827
Professional Development	27,206	38,844	39,127	26,923	0	26,923
Special Education	210,450	720,244	632,547	298,147	0	298,147
Vocational Education	60,953	130,697	109,023	82,627	0	82,627
KPERs Retirement	0	338,815	338,815	0	0	0
Title I	0	78,449	78,449	0	0	0
Title II	0	21,770	21,770	0	0	0
Gifts & Grants	1,957	41,151	21,431	21,677	0	21,677
Rural & Small Schools	0	0	0	0	0	0
Character Education	102	0	0	102	0	102
After School Program	5,522	5,683	5,867	5,338	0	5,338
Textbook Rental	82,931	41,592	39,028	85,495	0	85,495
District Activity Funds	43,077	110,252	114,639	38,690	0	38,690
Trust Funds						
Private Purpose Trust	8,017	741	920	7,838	0	7,838
Total Reporting Entity (Excluding Agency Funds)	<u>\$ 3,096,218</u>	<u>\$ 8,155,103</u>	<u>\$ 7,562,589</u>	<u>\$ 3,688,732</u>	<u>\$ 0</u>	<u>\$ 3,688,732</u>

Checking Acct-Kansasland Bank	\$ 2,162,524
Money Market-Kansasland	1,480,692
Men's Club Scholarship Savings	825
Men's Club Scholarship CD	5,000
Checking-Americus School-Kansasland	12,021
Checking & CD Accounts-Northern Heights-Kansasland	53,716
Total Cash	3,714,778
Less: Agency Funds per Schedule 3	(26,046)
Total Reporting Entity (Excluding Agency Funds)	<u>\$ 3,688,732</u>

The accompanying notes are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 251
North Lyon County

NOTES TO THE FINANCIAL STATEMENT
June 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Unified School District No. 251 (USD 251), North Lyon County has established a uniform system of accounting maintained to reflect compliance with the applicable laws of the State of Kansas. The more significant of the district's accounting policies are described below.

Financial Reporting Entity

Unified School District No. 251 was organized in accordance with State Statutes to provide a system of public education to elementary through high school students who reside within the designated District areas. USD No. 251 is a municipal corporation governed by an elected seven-member board of education. The District's financial statement does not include any related municipal entities.

Regulatory Basis Fund Types

The accounts of the District are organized and operated on the basis of funds, which are used to record the District's financial transactions. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Cash and other financial resources are recorded together with all related expenditures. A fund is used to segregate specific activities and for the purpose of attaining certain objectives in accordance with special regulations, restrictions, or limitations. The following types of funds comprise the financial activities of the District.

General Funds - the chief operating fund. Used to account for all financial resources except those required to be accounted for in another fund.

Special Purpose Funds – used to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than capital projects and tax levies for long-term debt) that are intended for specified purposes.

Trust fund – funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

Agency funds – funds used to report assets held by the municipal reporting entity in a purely custodial capacity (student organization accounts, etc.)

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

The Kansas Municipal Audit and Accounting Guide (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The District has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the District to use the regulatory basis of accounting.

Reimbursements

USD 251 records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as revenue to the fund. For purposes of budgetary comparisons, the expenditures are treated as a budget credit.

Use of Estimates

The preparation of a financial statement in conformity with the regulatory basis of accounting requires management to make estimates and assumptions that affect the reported amounts of cash receipts, cash expenditures, cash and unencumbered cash balances at the date of the financial statement. Accordingly, actual results could differ from those estimates.

UNIFIED SCHOOL DISTRICT NO. 251
North Lyon County

NOTES TO THE FINANCIAL STATEMENT
June 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

Ad Valorem Tax Receipts

The determination of assessed valuations and collections of property taxes for all political subdivisions in the State of Kansas is the responsibility of the various counties. The County appraiser annually determines assessed valuations and the County Clerk spreads the annual assessment on the tax rolls. The County Treasurer is the tax collection agent for all taxing entities within the county.

In accordance with state statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis and become a lien on the property on November 1 of each year. One-half of the property taxes are due December 20 prior to the fiscal year for which they are budgeted and the second half is due the following May 10. This procedure eliminates the need to issue tax anticipation notes since funds will be on hand prior to the beginning of each fiscal year.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding eighteen month period on or before August 1st.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held, and the governing body may amend the budget at that time. There were no such amendments this year.

After the above procedures have been followed; the Kansas State Board of Education computes the maximum legal general fund of operating expenses. For the fiscal year ended June 30, 2018, the State calculation of the legal maximum general fund budget was \$3,488,425 and the legal maximum supplemental general fund was \$1,283,686. In accordance with Kansas statutes, a district is penalized state aid equal to the amount expended in excess of the computed statutory limitation plus any qualifying budget credits. The District was within its maximum legal general and supplemental general fund budget authority for the fiscal year ended June 30, 2018.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which regulatory basis receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for the prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for capital project funds, trust funds and the following special purpose funds: Contingency Reserve, Title I, Title II, Grants & Donations, Rural and Small Schools, Character Education, Afterschool Program, and Textbook Rental.

Spending in funds, which are not subject to the legal annual operating budget requirements are controlled by federal regulations, by other statutes, or by use of internal spending limits established by the governing body.

UNIFIED SCHOOL DISTRICT NO. 251
North Lyon County

NOTES TO THE FINANCIAL STATEMENT
June 30, 2018

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONT)

Compliance with Finance-Related Legal and Contractual Obligations

References made herein to the statutes are not intended as interpretations of law, rather are offered for consideration of the Director of Accounts and Reports, Department of Education, and interpretation by the County Attorney and legal representatives of the municipality.

K.S.A. 9-1401 requires that the school deposits be adequately secured at all times during the year. For a short period of time, the school was undersecured and upon realization of this, additional security was obtained.

K.S.A. 75-3317 through 75-3322 require that the district make mandatory purchases of products and services from the Kansas industries for the blind and severely disabled. These purchases were not made.

Management is not aware of any other regulatory violations for the period covered by this audit.

State and Federal Aid Compliance

The District receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass through aid. The disbursement of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and are subject to audit by the governmental agency. Any disallowed claim resulting from such audit could become a liability of the General Fund or other applicable fund. However, in the opinion of management, any such disallowed claim would not have a material effect on the financial statements of the District at June 30, 2018.

NOTE 3 - DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories that may be used by the District. The statute requires banks eligible to hold the Government's funds have a main or branch bank in the county in which the District is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate or return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the Government's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices.

Custodial credit risk – deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. All deposits were legally secured at June 30, 2018.

At June 30, 2018, the carrying amount of the District's deposits was \$3,714,778 and the bank balance was \$3,867,069. The difference between the carrying amount and the bank balance is outstanding checks and deposits in transit. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$323,232 was covered by FDIC insurance and the remaining \$3,543,837 was collateralized by pledged securities held under joint custody receipts issued by banks within the State of Kansas, the Federal Reserve Bank of Kansas City or the Federal Home Loan Bank of Topeka in the District's name.

NOTE 4 – IN SUBSTANCE RECEIPT IN TRANSIT

The District received \$212,211 in the general fund subsequent to June 30, 2018 and as required by K.S.A. 72-6417 and 72-6434 the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2018.

UNIFIED SCHOOL DISTRICT NO. 251
North Lyon County

NOTES TO THE FINANCIAL STATEMENT
June 30, 2018

NOTE 5 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Insurance claims have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance coverage from coverage in prior years.

NOTE 6 - DEFINED BENEFIT PENSION PLAN

Plan Description – The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603), or by calling 1-888-275-5737.

Contributions - K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contributions depending on whether the employee is a KPERS 1, KPERS 2, or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed on or after Jan 1, 2015. Effective January 1, 2015, Kansas law establishes member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2, and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate with a 0% moratorium for the period of July 1 through September 30, 2017 for the Death and Disability Program) was 10.81% for the fiscal year ended June 30, 2018. The actuarially determined employer contribution rate was 12.01% for the year ended June 30, 2018. Per 2016 House Substitute for Senate Bill 161, Section 98(a)(1), state general fund and expanded lottery act revenue funds for employer contributions to KPERS were deferred. The amount deferred for school contributions was \$92,917,091 for the fiscal year ended June 30, 2016 and the anticipated repayments per SB249 were nullified per HB2052 during fiscal year 2017.

The State of Kansas contribution to KPERS for all school municipalities for the year ending June 30, 2017, received as of June 30th was \$304,596,361. Per 2017 Senate Substitute for House Bill 2052, Section 37(a), state general fund employer contributions to KPERS were decreased by \$64,130,234 for the fiscal year ended June 30, 2017. Section 43(17) of the bill also stipulates that repayments of the reduced contributions are to be amortized over twenty years at a level dollar amount commencing in fiscal year 2018. The level dollar amount was computed to be \$6.4 million dollars per year.

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled \$338,815 for the year ended June 30, 2018.

Net Pension Liability

At June 30, 2018, the District's proportionate share of the collective net pension liability reported by KPERS was \$4,399,648. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016, which was rolled forward to June 30, 2017. The District's proportionate share of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2017. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at www.kpers.org or can be obtained as described above.

UNIFIED SCHOOL DISTRICT NO. 251
North Lyon County

NOTES TO THE FINANCIAL STATEMENT
June 30, 2018

NOTE 7 – OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Compensated Absences

Full-time twelve month employees annually earn vacation as follows: One through five years of employment: ten days; six through fifteen years: fifteen days; and sixteen or more years: twenty days. Vacation time is non-accumulative and must be used by July 1st of the following year.

Full-time twelve month employees are granted twelve days of sick leave and all other employees are granted ten days of sick leave on the first day of his/her contract. Up to 60 days may be accumulated. No compensation is provided if the sixty day accumulation is not used. One-half of the accumulated time over sixty days is bought back by the District at the substitute teacher rate for certified staff and at the daily salary rate for classified employees. The balance over sixty days is forfeited.

A sick leave bank was established in 1989 to provide temporary relief from loss of pay due to severe illness, accident or major surgery. Employees may contribute one day of sick leave to the bank per year for use by an employee who qualifies, has used all of his or her sick leave and is selected by a committee. The maximum number of sick leave days which can be held in the sick leave bank is 350 days.

Employees are granted two days of personal leave per school year for the first ten years of employment with a maximum five days accumulation. Employees who have worked for the District eleven years or longer receive three days per year with a maximum six days accumulation. The district recognizes these benefits as paid. No provision has been made for accumulated paid leave in this financial statement.

Other Post-Employment Benefits

As provided by K.S.A. 12-5040, the local government allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the local government is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the government makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the government under this program.

NOTE 8 - TRANSFERS

Inter-fund transfers during the fiscal year ended June 30, 2018 consisted of the following:

Transfer From	Transfer To	Amount	Statute
General	Driver Training	\$ 40,000	72-5167
General	Food Service	40,000	72-5167
General	Professional Dev	35,000	72-5167
General	Special Ed	662,019	72-5167
General	Vocational Ed	30,000	72-5167
General	Contingency Res	50,639	72-5167
General	Textbook	15,000	72-5167
General	At Risk	390,720	72-5167
Supplemental General	Vocational Ed	95,000	72-5143
Supplemental General	At Risk	200,430	72-5143
Contingency Reserve	Supp General	50,639	72-5165

UNIFIED SCHOOL DISTRICT NO. 251
North Lyon County

NOTES TO THE FINANCIAL STATEMENT
June 30, 2018

NOTE 9 – SUBSEQUENT EVENTS

The District is currently exploring cost saving options. As part of this process, they have closed the Reading attendance center effective for the 18-19 school year.

REGULATORY-REQUIRED

SUPPLEMENTARY INFORMATION

Unified School District No. 251
North Lyon County

Schedule 1

Schedule of Expenditures-Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2018

<u>Funds</u>	<u>Certified Budget</u>	<u>Adjustment to Comply with Legal Max</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance Over (Under)</u>
General Funds						
General	\$ 3,554,204	\$ (65,779)	\$ 88,704	\$ 3,577,129	\$ 3,577,128	\$ (1)
Supplemental General	1,289,141	(5,455)	0	1,283,686	1,283,667	(19)
Special Purpose Funds						
At Risk	579,882			579,882	465,324	(114,558)
Virtual	19,685			19,685	0	(19,685)
Capital Outlay	2,880,348			2,880,348	488,222	(2,392,126)
Driver Training	53,379			53,379	36,202	(17,177)
Food Service	338,198			338,198	259,791	(78,407)
Professional Development	71,951			71,951	39,127	(32,824)
Special Education	920,618			920,618	632,547	(288,071)
Vocational Education	146,022			146,022	109,023	(36,999)
KPERs Retirement	373,632			373,632	338,815	(34,817)

See accompanying auditor's report.

Unified School District No. 251
North Lyon County

Schedule 2-A

Schedule of Receipts and Expenditures-Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2018

GENERAL FUND

	Actual	Budget	Variance Over (Under)
Receipts:			
Lyon, Osage & Wabaunsee County	\$ 0	\$ 0	\$ 0
State Aid	3,076,119	3,088,117	(11,998)
KPERS Pass Through	0	0	0
Special Ed Pass Through	412,019	465,800	(53,781)
Interest	0	0	0
Reimbursed & misc income	88,704	0	88,704
Total Receipts	3,576,842	3,553,917	22,925
Expenditures			
Instruction	1,366,450	1,432,166	(65,716)
Student Support	186,124	176,440	9,684
Instructional Support	76,615	92,084	(15,469)
General Administration	243,031	211,939	31,092
School Administration	328,350	351,397	(23,047)
Central Services	99,264	101,710	(2,446)
Operations & Maintenance	792	7,200	(6,408)
Other Supplemental Serv/Community Ser	13,124	0	13,124
Operating Transfers	1,263,378	1,181,268	82,110
Adjustment to Comply with Legal Max	0	(65,779)	65,779
Total legal general fund budget	3,577,128	3,488,425	88,703
Adjustment for qualifying budget credits	0	88,704	(88,704)
Total Expenditures	3,577,128	\$ 3,577,129	\$ (1)
Receipts Over (Under) Expenditures	(286)		
Unencumbered Cash, July 1	287		
Unencumbered Cash, June 30	\$ 1		

See accompanying auditor's report.

Unified School District No. 251
North Lyon County

Schedule 2-B

Schedule of Receipts and Expenditures-Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2018

SUPPLEMENTAL GENERAL FUND

	Actual	Budget	Variance Over (Under)
Receipts:			
Lyon, Osage & Wabaunsee County	\$ 1,174,350	\$ 1,089,187	\$ 85,163
State Aid	0	0	0
Transfer from Contingency Reserve	50,639	50,639	0
Total Receipts	1,224,989	1,139,826	85,163
Expenditures			
Instruction	278,641	346,785	(68,144)
General Administration	114,342	86,074	28,268
Operations & Maintenance	238,673	350,075	(111,402)
Student Transportation	356,581	357,207	(626)
Operating Transfers	295,430	149,000	146,430
Adjustment to Comply with Legal Max		(5,455)	5,455
Total legal supplemental general fund budget	1,283,667	1,283,686	(19)
Adjustment for qualifying budget credits	0	0	0
Total Expenditures	1,283,667	\$ 1,283,686	\$ (19)
Receipts Over (Under) Expenditures	(58,678)		
Unencumbered Cash, July 1	149,314		
Unencumbered Cash, June 30	\$ 90,636		

See accompanying auditor's report.

Unified School District No. 251
North Lyon County

Schedule 2-C

Schedule of Receipts and Expenditures-Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2018

AT RISK

	Actual	Budget	Variance Over (Under)
Receipts:			
Other Receipts	\$ 2,533	\$ 9,000	\$ (6,467)
Operating Transfers	591,150	440,000	151,150
Total Receipts	593,683	449,000	144,683
Expenditures			
Instruction	465,324	579,882	(114,558)
Other	0	0	0
Total Expenditures	465,324	\$ 579,882	\$ (114,558)
Receipts Over (Under) Expenditures	128,359		
Unencumbered Cash, July 1	130,882		
Unencumbered Cash, June 30	\$ 259,241		

See accompanying auditor's report.

Unified School District No. 251
North Lyon County

Schedule 2-D

Schedule of Receipts and Expenditures-Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2018

VIRTUAL

	Actual	Budget	Variance Over (Under)
Receipts:			
Other Receipts	\$ 0	\$ 0	\$ 0
Operating Transfers	0	18,600	(18,600)
Total Receipts	0	18,600	(18,600)
Expenditures			
Instruction	0	19,685	(19,685)
Other	0	0	0
Total Expenditures	0	\$ 19,685	\$ (19,685)
Receipts Over (Under) Expenditures	0		
Unencumbered Cash, July 1	1,085		
Unencumbered Cash, June 30	\$ 1,085		

See accompanying auditor's report.

Unified School District No. 251
North Lyon County

Schedule 2-E

Schedule of Receipts and Expenditures-Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2018

CAPITAL OUTLAY

	Actual	Budget	Variance Over (Under)
Receipts:			
Lyon, Osage & Wabaunsee County	\$ 751,506	\$ 716,657	\$ 34,849
State Aid	0	0	0
Other Receipts	119,376	0	119,376
Operating Transfers	0	0	0
Total Receipts	870,882	716,657	154,225
Expenditures			
Capital Outlay	488,222	2,880,348	(2,392,126)
Other	0	0	0
Total Expenditures	488,222	<u>\$ 2,880,348</u>	<u>\$ (2,392,126)</u>
Receipts Over (Under) Expenditures	382,660		
Unencumbered Cash, July 1	<u>2,163,691</u>		
Unencumbered Cash, June 30	<u>\$ 2,546,351</u>		

See accompanying auditor's report.

Unified School District No. 251
North Lyon County
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2018

Schedule 2-F

CONTINGENCY RESERVE

	Current Year Actual
Receipts:	
Operating Transfers	\$ 50,639
Other Receipts	0
Total Receipts	50,639
Expenditures	
Transfer to Supplemental General	50,639
Other	0
Total Expenditures	50,639
Receipts Over (Under) Expenditures	0
Unencumbered Cash, July 1	125,905
Unencumbered Cash, June 30	\$ 125,905

See accompanying auditor's report.

Unified School District No. 251
North Lyon County

Schedule 2-G

Schedule of Receipts and Expenditures-Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2018

DRIVER TRAINING

	Actual	Budget	Variance Over (Under)
Receipts:			
State Aid	\$ 3,072	\$ 3,500	\$ (428)
Fees	2,225	2,125	100
Other Receipts	0	0	0
Operating Transfers	40,000	30,000	10,000
Total Receipts	45,297	35,625	9,672
Expenditures			
Instruction	34,732	51,579	(16,847)
Vehicle Operation	1,470	1,800	(330)
Total Expenditures	36,202	\$ 53,379	\$ (17,177)
Receipts Over (Under) Expenditures	9,095		
Unencumbered Cash, July 1	17,754		
Unencumbered Cash, June 30	\$ 26,849		

See accompanying auditor's report.

Unified School District No. 251
North Lyon County

Schedule 2-H

Schedule of Receipts and Expenditures-Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2018

FOOD SERVICE

	Actual	Budget	Variance Over (Under)
Receipts:			
State Aid	\$ 2,192	\$ 1,865	\$ 327
Federal Aid	131,082	131,229	(147)
Meal Receipts	91,259	100,019	(8,760)
Other Receipts	0	0	0
Operating Transfers	40,000	38,000	2,000
Total Receipts	264,533	271,113	(6,580)
Expenditures			
Food Service	259,791	338,198	(78,407)
Other	0	0	0
Total Expenditures	259,791	\$ 338,198	\$ (78,407)
Receipts Over (Under) Expenditures	4,742		
Unencumbered Cash, July 1	67,085		
Unencumbered Cash, June 30	\$ 71,827		

See accompanying auditor's report.

Unified School District No. 251
North Lyon County

Schedule 2-I

Schedule of Receipts and Expenditures-Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2018

PROFESSIONAL DEVELOPMENT

	Actual	Budget	Variance Over (Under)
Receipts:			
Other Receipts	\$ 3,844	\$ 3,745	\$ 99
Operating Transfers	35,000	41,000	(6,000)
Total Receipts	38,844	44,745	(5,901)
Expenditures			
Professional Development	39,127	71,951	(32,824)
Other	0	0	0
Total Expenditures	39,127	\$ 71,951	\$ (32,824)
Receipts Over (Under) Expenditures	(283)		
Unencumbered Cash, July 1	27,206		
Unencumbered Cash, June 30	\$ 26,923		

See accompanying auditor's report.

Unified School District No. 251
North Lyon County

Schedule 2-J

Schedule of Receipts and Expenditures-Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2018

SPECIAL EDUCATION

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts:			
Other Receipts	\$ 58,225	\$ 27,500	\$ 30,725
Operating Transfers	<u>662,019</u>	<u>682,668</u>	<u>(20,649)</u>
Total Receipts	720,244	710,168	10,076
Expenditures			
Instruction	607,654	904,918	(297,264)
Transportation	<u>24,893</u>	<u>15,700</u>	<u>9,193</u>
Total Expenditures	<u>632,547</u>	<u>\$ 920,618</u>	<u>\$ (288,071)</u>
Receipts Over (Under) Expenditures	87,697		
Unencumbered Cash, July 1	<u>210,450</u>		
Unencumbered Cash, June 30	<u>\$ 298,147</u>		

See accompanying auditor's report.

Unified School District No. 251
North Lyon County

Schedule 2-K

Schedule of Receipts and Expenditures-Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2018

VOCATIONAL EDUCATION

	Actual	Budget	Variance Over (Under)
Receipts:			
Other Receipts	\$ 3,472	\$ 0	\$ 3,472
State Aid	2,225	5,069	(2,844)
Operating Transfers	125,000	80,000	45,000
Total Receipts	130,697	85,069	45,628
Expenditures			
Instruction	96,019	132,222	(36,203)
Transportation	13,004	13,800	(796)
Total Expenditures	109,023	\$ 146,022	\$ (36,999)
Receipts Over (Under) Expenditures	21,674		
Unencumbered Cash, July 1	60,953		
Unencumbered Cash, June 30	\$ 82,627		

See accompanying auditor's report.

Unified School District No. 251
North Lyon County

Schedule 2-L

Schedule of Receipts and Expenditures-Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2018

KPERS RETIREMENT

	Actual	Budget	Variance Over (Under)
Receipts:			
KPERS Employer Contributions	\$ 338,815	\$ 0	\$ 338,815
Transfer from General	0	373,632	(373,632)
Total Receipts	338,815	373,632	(34,817)
Expenditures			
KPERS Employee Benefits	338,815	373,632	(34,817)
Other	0	0	0
Total Expenditures	338,815	\$ 373,632	\$ (34,817)
Receipts Over (Under) Expenditures	0		
Unencumbered Cash, July 1	0		
Unencumbered Cash, June 30	\$ 0		

See accompanying auditor's report.

Unified School District No. 251
North Lyon County

Schedule 2-M

Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2018

	TITLE I	TITLE IIA IMPROVING TEACHER QUAL
Receipts:		
Federal Aid	\$ 78,449	\$ 21,770
Other Receipts	0	0
Total Receipts	78,449	21,770
Expenditures		
Instruction	78,449	21,770
Other	0	0
Total Expenditures	78,449	21,770
Receipts Over (Under) Expenditures	0	0
Unencumbered Cash, July 1	0	0
Unencumbered Cash, June 30	\$ 0	\$ 0

See accompanying auditor's report.

Unified School District No. 251
North Lyon County
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2018

Schedule 2-N

GIFTS AND GRANTS

	Current Year Actual
Receipts:	
Federal Aid	\$ 0
Other Receipts	41,151
Total Receipts	41,151
Expenditures	
Student support	21,431
Other	0
Total Expenditures	21,431
Receipts Over (Under) Expenditures	19,720
Unencumbered Cash, July 1	1,957
Unencumbered Cash, June 30	\$ 21,677

See accompanying auditor's report.

Unified School District No. 251
North Lyon County

Schedule 2-O

Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2018

	<u>RURAL & SMALL SCHOOLS</u>	<u>CHARACTER EDUCATION</u>	<u>AFTERSCHOOL PROGRAM</u>	<u>TEXTBOOK RENTAL</u>
Receipts:				
Federal Aid	\$ 0	\$ 0	\$ 0	\$ 0
Fees & Donations	0	0	5,683	26,592
Transfers from Other Funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>15,000</u>
Total Receipts	0	0	5,683	41,592
Expenditures				
Salaries, supplies & services	<u>0</u>	<u>0</u>	<u>5,867</u>	<u>39,028</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>5,867</u>	<u>39,028</u>
Receipts Over (Under) Expenditures	0	0	(184)	2,564
Unencumbered Cash, July 1	<u>0</u>	<u>102</u>	<u>5,522</u>	<u>82,931</u>
Unencumbered Cash, June 30	<u>\$ 0</u>	<u>\$ 102</u>	<u>\$ 5,338</u>	<u>\$ 85,495</u>

See accompanying auditor's report.

Unified School District No. 251
North Lyon County

Schedule 2-P

Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2018

TRUST FUNDS

	ALUMNI	MEN'S CLUB	NHHS Sheeley	NHHS Pruitt	NHHS Mundy	NHHS Mounkes	TOTAL
Receipts:							
Donations	\$ 0	\$ 0	\$ 320	\$ 0	\$ 0	\$ 400	\$ 720
Other Receipts	0	21	0	0	0	0	21
Transfers In	0	0	0	0	0	0	0
Total Receipts	0	21	320	0	0	400	741
Expenditures							
Scholarships	0	0	320	200	0	400	920
Other	0	0	0	0	0	0	0
Total Expenditures	0	0	320	200	0	400	920
Receipts Over (Under) Expendit	0	21	0	(200)	0	0	(179)
Unencumbered Cash, July 1	1,012	5,804	1	470	730	0	8,017
Unencumbered Cash, June 30	<u>\$ 1,012</u>	<u>\$ 5,825</u>	<u>\$ 1</u>	<u>\$ 270</u>	<u>\$ 730</u>	<u>\$ 0</u>	<u>\$ 7,838</u>

See accompanying auditor's report.

Unified School District No. 251
North Lyon County

Schedule 3

Schedule of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2018

AGENCY FUNDS

	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
NHHS:				
Classes of 2009-2017	\$ 2,777	\$ 0	\$ 1,352	\$ 1,425
Class of 2018	1,481	301	1,124	658
Class of 2019	3,101	723	2,148	1,676
Class of 2020	1,040	1,876	0	2,916
Class of 2021	500	594	0	1,094
Class of 2022	0	752	0	752
Art Club	188	0	0	188
FBLA	3,666	832	1,279	3,219
FCCLA	2,101	9,009	9,033	2,077
FFA	3,258	5,456	6,397	2,317
Flag Club	137	0	0	137
Industrial Arts Club	1,010	0	0	1,010
National Honor Society	4,230	168	60	4,338
Quiz Bowl	11	71	35	47
Science Club	869	80	0	949
Student Council	184	1,011	1,105	90
Weight Lifting Club	258	0	70	188
	<u>24,811</u>	<u>20,873</u>	<u>22,603</u>	<u>23,081</u>
Americus				
8th Grade	1,675	3,057	2,950	1,782
FBLA	13	0	0	13
Pep Club	122	0	0	122
Stuco	995	378	325	1,048
	<u>2,805</u>	<u>3,435</u>	<u>3,275</u>	<u>2,965</u>
Reading				
Stuco	947	974	1,921	0
Other	0	0	0	0
	<u>947</u>	<u>974</u>	<u>1,921</u>	<u>0</u>
Total Agency Funds	<u>\$ 28,563</u>	<u>\$ 25,282</u>	<u>\$ 27,799</u>	<u>\$ 26,046</u>

See accompanying auditor's report.

Unified School District No. 251
North Lyon County

Schedule 4

Schedule of Receipts and Expenditures, and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2018

DISTRICT ACTIVITY FUNDS

	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Gate Receipts/Athletics						
Northern Heights HS	\$ 12,548	\$ 28,338	\$ 34,899	\$ 5,987	\$ 0	\$ 5,987
Americus	3,591	21,330	21,161	3,760	0	3,760
	<u>16,139</u>	<u>49,668</u>	<u>56,060</u>	<u>9,747</u>	<u>0</u>	<u>9,747</u>
School Projects						
NHHS						
Yearbook	10,202	2,198	1,420	10,980	0	10,980
Concessions	4,425	14,100	9,798	8,727	0	8,727
Student Activities	630	3,071	3,055	646	0	646
Drama/Forensics	250	454	389	315	0	315
Industrial Arts	2,309	0	0	2,309	0	2,309
Library	58	44	0	102	0	102
Music	1,919	35,547	36,898	568	0	568
Americus						
Yearbook	7	800	0	807	0	807
Concessions	3,795	2,317	2,808	3,304	0	3,304
Music	592	1,847	1,254	1,185	0	1,185
Reading						
Concessions	592	0	592	0	0	0
Other Projects	2,159	206	2,365	0	0	0
	<u>26,938</u>	<u>60,584</u>	<u>58,579</u>	<u>28,943</u>	<u>0</u>	<u>28,943</u>
Total Activity Funds	<u>\$ 43,077</u>	<u>\$ 110,252</u>	<u>\$ 114,639</u>	<u>\$ 38,690</u>	<u>\$ 0</u>	<u>\$ 38,690</u>

See accompanying auditor's report.